

Pension News

TRUST.
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STABILITY.

Issue Highlights

In Memory of Rep. Esther Golar

A tribute to a legislator, community activist, and CTPF supporter **3**

CTPF News

CTPF receives an end of year payment from CPS, welcomes new trustees, hosts the Leadership Roundtable, and more **3, 6**

Candidate Statements

Information about the candidates in the 2015 Teacher Trustee election **4**

Online Voting

A guide to the online voting process **5**

Legislative Update

A review of spring and summer activities and a thank you to legislators for supporting HB 3695 **7**



2015 Board of Trustees Elections

Friday, November 6, 2015, CTPF will hold elections to fill two Teacher Trustee positions on the CTPF Board of Trustees

New in 2015: All voting will be conducted online

Lois W. Ashford, Jay C. Rehak, and Donna L. Seals have met the qualifications, submitted nominating petitions, and have been certified to run for election in the 2015 Teacher Trustee Election. Teacher Trustees will serve three-year terms from 2015-2018. Find Teacher Trustee candidate information on page 4, and additional election information on the Election Central page at www.ctpf.org.

Online Voting

The Teacher Trustee Election will be conducted in schools on November 6, 2015, using secure electronic ballots. CTPF successfully demonstrated online voting in 2012-2014, and all schools will vote online in 2015.

Pension Reps will distribute sealed envelopes with voter instructions on November 6, 2015. Voters sign on to the election system using a computer or hand-held electronic device, enter the required information, and submit the ballot.

Continued on page 5

EXECUTIVE DIRECTOR'S LETTER: LESSONS FROM THE PAST



Charles A. Burbridge,
executive director

The September 17, 2015, edition of the Chicago Tribune featured this Opinion piece, How to Protect Teachers and Taxpayers in the Pension Crisis, by CTPF Executive Director Charles A. Burbridge.

In 1905, the Chicago Teachers' Pension Fund faced a crisis. There wasn't enough money coming in to pay for retirement benefits.

The president of the pension fund, Jane Addams – yes, the famous community organizer – turned to the Illinois General Assembly for help. A landmark law passed in 1907 required employees and employers to contribute to the Fund and set up an elected pension board to oversee investments.

As Chicago Tribune reporter Heather Gillers recently detailed in

her story, "Illinois lawmakers gave Chicago's mayor the freedom to ruin school finance," the retirement security that Addams protected for teachers is at risk again.

Pension holidays taken by Chicago Public Schools and approved by lawmakers have capsized the system and will cost taxpayers billions of dollars to correct. It's just the kind of action

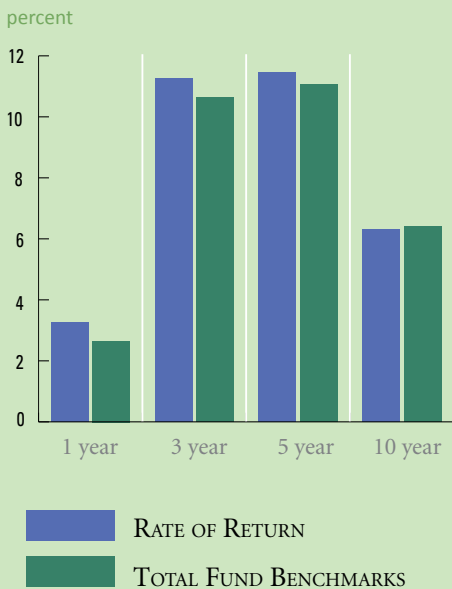
Continued on page 2

CTPF FINANCIAL SNAPSHOT

CTPF RETURN ON INVESTMENTS

June 30, 2015

	RATE OF RETURN	TOTAL FUND BENCHMARKS
1 year	3.27%	2.66%
3 year	11.25%	10.64%
5 year	11.45%	11.08%
10 year	6.31%	6.40%



As of June 30, 2015, the approximate current value of CTPF's investments was \$10.0 billion.



Addams sought to guard against more than 100 years ago.

We must protect our teachers and the taxpayers from these short-sighted decisions.

The first step: stop talking about Chicago Public Schools declaring bankruptcy. That's a diversion from the real issues – education policy and funding.

CPS bankruptcy – essentially allowing the state to insulate itself from the problem that it helped create – would be morally reprehensible. There are many parties responsible for this crisis. No one should be allowed to simply walk away.

The second step: take three legislative actions to fix the system and prevent future funding failures.

1. Make payments to CTPF mandatory by law.

Pension funds across the country have something in common: payments are mandated and the funds have strong tools to use if a payment is missed. Pension payments are not optional, they are promised to Chicago's schoolteachers as part of their contract. We have to stop pitting today's teachers against yesterday's teachers. Lawmakers, city and school leaders must recognize that teacher compensation and retirement funding are one and the same.

2. Commit to an actuarial-based funding plan that covers annual contributions and unfunded liability.

Fully-funded pension plans let experts – actuaries – determine the annual contribution needed to keep the plans stable. The Chicago Teachers' Pension Fund is in a hole. We must stop digging. The problem was created by pension holidays. It can't be solved by more pension holidays.

3. Make monthly payments to the pension fund, not a once-a-year payment.

Pension plans work when today's benefits are paid with yesterday's contributions and investment earnings, and today's contributions are invested to pay for tomorrow's benefits. Prudent investment practices demand that payments to the Fund provide a constant stream of revenue that can be invested throughout the year. Monthly payments would save Chicago taxpayers tens of millions annually.

A century ago, Jane Addams knew that if Chicago was to thrive, teachers' pensions needed to be protected. If we are to thrive for the next century that fundamental principle must never again be forgotten.



"Jane Addams knew that if Chicago were to thrive, teachers pensions needed to be protected."

TRUSTEES APPOINTED

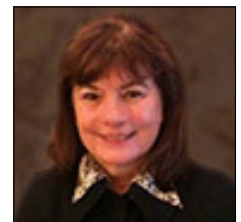
The Chicago Board of Education appointed two new members to the CTPF Board of Trustees. Mark F. Furlong will serve a four-month term ending November 2015, and Gail D. Ward will serve through November 2016. Furlong and Ward fill vacancies created by the resignations of Trustees Andrea L. Zopp and Carlos M. Azcoitia.

Furlong retired as President and Chief Executive Officer of BMO Harris Bank, N.A., on June 1, 2015, following a lengthy career in business and public service.

Ward retired from the Chicago Public Schools in 2008, after a distinguished 38-year career as a teacher and principal at the elementary and high school levels.



Mark F. Furlong



Gail D. Ward

IN MEMORY OF ESTHER GOLAR, ILLINOIS STATE REPRESENTATIVE

A message from Charles A. Burbridge, CTPF executive director

On behalf of CTPF and our members, I want to pay tribute to and recognize Illinois State Representative Esther Golar, who passed September 21, 2015.

The voice of the 6th District for the past nine years, Rep. Golar represented nearly 1,000 CTPF members. An activist and advocate, she fought for her constituents, her community, and her city. She focused her work on improving housing and education and fought for services for the most vulnerable members of our community. She raised her voice for those who struggled to be heard.

While many of our members called her district home – they were not simply constituents to her – they were her friends. Her leadership and support consistently reflected the idea that teachers form the foundation of strong communities, and she worked tirelessly to support the interests of our members.

Representative Golar well understood the impact that decisions

in Springfield have on people and neighborhoods and she sponsored several legislative initiatives important to the Fund. House Resolution 816, introduced during the 98th General Assembly, called attention to the State’s responsibility to fund CTPF. Another critical measure, House Bill 1484 which she co-sponsored with Majority Leader Barbara Flynn Currie (and 11 other co-sponsors), was one of the first bills that gave serious consideration to having the State of Illinois pay CTPF’s normal costs.

While Representative Golar supported us legislatively in Springfield, she went a step further – working to educate her peers and colleagues about pensions and CTPF.

We were honored to host her and the Black Caucus in 2012, when she held an unprecedented meeting dedicated to pension issues. Following the success of that meeting, Representative Golar hosted a meeting of the Latino Caucus



Representative Esther Golar (pictured right) with CTPF lobbyist Bukola Bello, following a 2012 meeting of the Black Caucus held in the CTPF office.

in our offices. She made sure that her peers understood and appreciated the importance of teachers in the City of Chicago. She believed in promises, and in Chicago’s teachers.

Many were touched by Representative Golar’s kindness, wisdom and generosity of time and talent. We will miss her greatly and offer our sincere condolences to her family, friends, and community.

CPS MAKES \$619 MILLION PAYMENT

The Chicago Public Schools made a final pension payment on June 30, 2015, bringing their total payment to \$619 million for the 2015 fiscal year. This is the second year the Fund received a substantial payment following two decades of underfunding.

“I hope that the policy makers recognize the need to address education funding so that teachers do not need to choose between teaching security today and retirement security tomorrow,” said Charles A. Burbridge, CTPF executive director. “The need for long-term solutions is not erased with this payment.”

CTPF HOSTS SECOND LEADERSHIP ROUNDTABLE

CTPF hosted a second meeting of the Illinois Reciprocal Funds Leadership Roundtable on July 30, 2015. The group of leaders from the 13 Illinois Reciprocal Funds reconvened to discuss the economic impact pension funds have on Illinois, consider ways to work cooperatively, and discuss current legislative issues.

“We had another productive dialogue examining ways we can work together, and set a goal of producing an aggregated economic impact statement that can truly reflect the positive impact that pension funds have on the State of Illinois,” said Jay C. Rehak, president of the CTPF Board of Trustees. “I’m looking forward to continuing this work at our October meeting.”



CTPF President Jay C. Rehak leads a discussion during the second meeting of the Illinois Reciprocal Funds Leadership Roundtable, July 30, 2015.

TEACHER TRUSTEE CANDIDATE INFORMATION

THREE CERTIFIED CANDIDATES FOR TWO OPEN POSITIONS

LOIS W. ASHFORD

Lois.Ashford@gmail.com



TEACHING EXPERIENCE/ EMPLOYMENT HISTORY

Substitute Teacher
Middle School Teacher – O’Keeffe
Elementary
Middle School Teacher – Copernicus
Elementary

EDUCATION/CERTIFICATION

Master of Education, Curriculum and
Instruction, Lewis University
Administrative Certificate Type 75, Lewis
University
Bachelor of Science, Chicago State
University
Middle School Endorsements (Social
Science, Language Arts, Math)
18.5 Hours Fiduciary Training and Investment
Education
Certificate of Completion – Made in America
Benefits Summit
Certificate of Attendance – Health Care
Management

OTHER MEMBERSHIPS AND EXPERIENCE

Vice President, Chicago Teachers’ Pension
Fund (CTPF), Board of Trustees
(2011-Current)
Trustee, CTPF Board of Trustees,
(2009-Current)
Chicago Teachers’ Pension Fund
Committees:
Pension Laws and Rules Committee
Chair and Member
Claims and Service Credit Committee
Member
Health Insurance Committee Member
Investment Committee Member
Finance and Audit Committee Member
Return to Work Hearings for Retirees
Committee Member
Health Plans Subcommittee Member
By-laws and Rules Subcommittee
Member
Founding Member, Illinois Reciprocal Funds
Leadership Roundtable
National Council on Teacher Retirement
National Council of Institutional Investors
Chicago Teachers Union Trustee
Chicago Teachers Union Executive Board
Member
Chicago Teachers Union Member
American Federation of Teachers Delegate
and Member
Illinois Federation of Teachers Delegate and
Member
CORE Steering Committee Member
CORE Member
National Association of Securities
Professionals, Supporter

JAY C. REHAK

jaycrehak@gmail.com



TEACHING EXPERIENCE/ EMPLOYMENT HISTORY

High School English Teacher, Whitney M. Young
Magnet High School, 1993-2001 and
2003-Current
Interim Executive Director, CTPF, 2014
Chicago Teachers Union, 2001-2003 Assistant
Director, Quest Center,
Director of Communications, Assistant to the
President
Elementary English Teacher, Daniel Webster
Elementary School, 1989-1993

EDUCATION/CERTIFICATION

B.A., Honors English, University of Illinois,
Champaign-Urbana, 1978
M.A., Adult Education, Northern Illinois Univ., 1991
National Board Certification, 2006

OTHER MEMBERSHIPS AND EXPERIENCE

President, Chicago Teachers Pension Fund, (CTPF),
2012-Current
Member, Board of Trustees, CTPF, 2009-Current
Chairperson, CTPF Communication Committee,
2012-2014
Member, CTPF Pension Law and Rules Committee,
2009-Current
Member, CTPF Personnel Committee, 2014-Current
Member, American Federation of Teachers Pension
Committee Roundtable, 2010-Current
Chairperson, American Federation of Teachers
Pension Committee Roundtable, 2015
Founding Member, Illinois Reciprocal Funds
Leadership Roundtable, 2015
Member, Council of Institutional Investors,
2013-Current
Member, National Council on Teacher Retirement,
2014-Current
Speaker, Illinois Public Pension Fund
Association, 2014
Speaker, National Association of Securities
Professionals, 2014
Member, Harvard Trustee Leadership Forum,
2013-Current
Member, Chicago Teachers Union, 1989-Current
Member, Chicago Teachers Union House of
Delegates, 1993-Current
Member, Chicago Teachers Union Executive
Board, 2010-2013
Chairperson, Whitney M. Young Magnet High
School PPC, 2004-2014
Member, Whitney M. Young Technology Committee
Chicago Public Schools Technology Innovator of the
Year 2014
Member, Writers Guild of America
Member, American Society of Composers, Authors
and Publishers
Member, Chicago Writers Association
Married to Susan Salidor, three children, Hope,
Hannah and Ali

DONNA L. SEALS

dseals000@yahoo.com



TEACHING EXPERIENCE/ EMPLOYMENT HISTORY

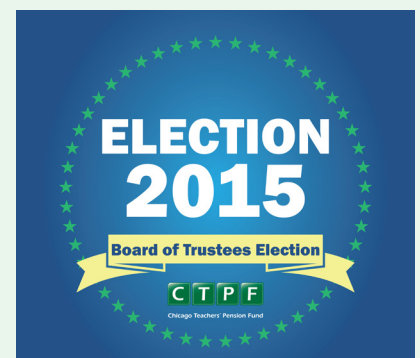
Employed in CPS for 19 years,
Currently teaching Library Science at William
K. “New” Sullivan Elementary School (6
years)
Former Library Science teacher at Burnside
Elementary (5 years)
Former Resource teacher at Vanderpoel Elementary
(4 years) and
Doolittle Elementary (4 years)

EDUCATION/CERTIFICATION

Doctor of Education, Loyola University Chicago,
Curriculum and Instruction
Master of Science, Chicago State University,
Library Information System
Master of Arts, Concordia University,
Urban Education
Certificate of Administration,
Concordia University
Bachelor of Business Administration,
Loyola University Chicago,
National Board of Professional Teaching Standards,
Middle School General

OTHER MEMBERSHIPS AND EXPERIENCE

Association for Supervision and Curriculum
Development,
Illinois Chapter
Founding Member, National Sorority of Phi Delta
Kappa, Zeta Gamma Chapter
Life member, Phi Delta Kappa, Loyola University
Chicago Teachers Union Member
Member, Alpha Kappa Alpha Sorority, Inc.
Teacher Leader, Educators 4 Excellence
Volunteer, Lyle for Kids
Volunteer, Fredrenna Lyle for Alderman
Volunteer, Fredrenna Lyle for Judge



Online Voting Guide



CTPF is committed to conserving member resources and has switched to secure electronic ballots for the November 6, 2015, Teacher Trustee Election. Online voting offers expanded polling hours and faster tabulation, while reducing paper, printing, and storage costs.

1. ELECTION DAY

November 6, 2015

2. Pension Reps

DISTRIBUTE ENVELOPES

with voting instructions

4. LOGON

to the voting

site using a computer or hand-held device



3. Polls OPEN

7:00 a.m. - 5:30 p.m.



5. ENTER

required information

6. VOTE

for up to 2 Teacher Trustees



2015 Teacher Trustee Election Fast Facts:

- ✓ Election Day is November 6, 2015
- ✓ Polls open 7:00 a.m. - 5:30 p.m.
- ✓ Pension Reps will distribute sealed envelopes with voting information on Friday, November 6
- ✓ Visit www.ctpf.org/electioncentral for more information.



CTPF CALENDAR

Trustee meetings, held in the CTPF office, are open to the public. Please confirm all meeting times/dates at www.ctpf.org.

OCTOBER

- 22 9:30 a.m., Trustee meeting
- 29 12:01 a.m. absentee polling opens for members who requested absentee ballots for Teacher Trustee Election

NOVEMBER

- 6 5:30 p.m. polls close for Teacher Trustee Election
- 11 Veterans Day, office closed
- 19 9:30 a.m., Trustee meeting
- 26-27 Thanksgiving holiday, office closed

DECEMBER

- 10 9:30 a.m., Trustee meeting (tentative)
- 25 Christmas holiday, office closed

JANUARY

- 1 New Years Day holiday, office closed
- 18 Birthday of Martin Luther King, Jr., holiday, office closed

OFFICE/MAILING ADDRESS

Chicago Teachers' Pension Fund
203 North LaSalle Street, suite 2600
Chicago, Illinois 60601-1231

312.641.4464 fax: 312.641.7185

www.ctpf.org

memberservices@ctpf.org

Office hours:

8:00 a.m. - 5:00 p.m. M-F

STAFF CHANGES AND PROMOTIONS

CTPF has announced new directorship and three staff promotions.

Elise J. Daughhete joined CTPF on July 15, 2015, as Director of Human Resources. She is responsible for the overall administration, coordination, and evaluation of human resources functions.

Daughhete has more than 20 years experience as a HR professional, managing every aspect of the HR life cycle. She holds a master's degree in human resource management, a bachelor's degree in criminology, and is certified as a general practice paralegal. She holds several additional professional certifications including Senior Professional in Human Resources (SPHR), and Senior Human Resources Manager-Senior Certified Professional (SHRM-SCP).



Elise J. Daughhete



Sheron Banks-Fallis



Tom Gajewicz



Vandana Vohra

CTPF promoted **Sheron Banks-Fallis** to Director of Member Services, **Tom Gajewicz** to Director of IT Infrastructure, and **Vandana Vohra**, to Director of IT Applications.

Banks-Fallis joined CTPF as a Field Service Representative in 2006, and was promoted to Member Services Manager in 2007. She previously worked for AOL Time Warner and holds a B.S. in general studies.

Gajewicz joined the Fund as a Network Administrator in 2005. He previously worked for Zone Computer Solutions and holds a B.S. in communication studies.

Vohra joined the Fund in 2013, and became a development team supervisor in 2015. She previously worked for Argonne National Laboratory and holds a B.S. in statistics.

REHAK APPOINTED TO AFT TRUSTEE COUNCIL

CTPF Board of Trustees President Jay C. Rehak has been tapped to head the American Federation of Teachers Trustee Council.

Rehak joins fellow teacher trustees from around the country who monitor and examine investment managers to make sure that they support defined benefit retirement plans.



Jay C. Rehak

CTPF IN THE NEWS

Several media outlets have featured CTPF in interviews, conversations, and perspective pieces in recent months.

Executive Director Charles A. Burbridge appeared on the news magazine *Chicago Tonight* in a live interview on June 30, 2015, on WTTW. The segment featured a discussion of current pension issues and the state of CTPF at the end of the fiscal year.

Burbridge was also interviewed on The Cliff Kelley Show, WVON radio (1690 am), Thursday, August 6, 2015. During the program, Burbridge discussed the current issues facing the Fund, and the role CTPF members play in the City of Chicago and in Illinois.

The *Chicago Tribune* ran an opinion piece by Burbridge, "How to Protect Teachers and Taxpayers in the Pension Crisis," September 17, 2015 (see Executive Director's letter, page 1).

Find links to these stories and more information on the Current News page at www.ctpf.org.



Executive Director Charles A. Burbridge appeared on the news magazine *Chicago Tonight*, June 30, 2015.



120TH ANNIVERSARY CELEBRATION

CTPF celebrated the 120th Anniversary of its founding on July 1, 2015. Activities and events throughout the year will honor and celebrate the Fund's history of caring for teachers and helping them prepare for the future.

STUDENT ART CONTEST PARTNERSHIP

The Fund has partnered with the After School Matters (ASM) program to conduct a Fine Arts



Contest for CPS students. The contest encourages children to explore, "My Vision for Education in the Year 2135," using the medium of their choice. Winners will receive prizes and special recognition from the CTPF Board of Trustees. Find more information about the program on the Current News page at www.ctpf.org.



CTPF OFFERS TESTIMONY TO LEGISLATORS

CTPF offered testimony to the Illinois legislators on three recent occasions.

July 28, 2015, Vice President of the CTPF Board of Trustees Lois W. Ashford and Deputy Executive Director and Chief Legal Officer Tiffany R. Reeves traveled to Springfield to testify during the Illinois House Personnel and Pensions Committee subject matter hearing on Governor Rauner's Pension Proposal. Trustee Ashford and Ms. Reeves provided lengthy testimony, answered questions from committee members, and voiced CTPF's opposition to several items in the proposal.

CTPF Executive Director Charles A. Burbridge offered testimony opposing SB 318 during two August hearings. August 12, 2015, Burbridge spoke during a meeting of

the Illinois House Executive Committee in Springfield, and August 18, 2015, Burbridge testified during a subject matter hearing of the Illinois House Revenue and Finance Committee in Chicago.

Burbridge expressed the Fund's opposition to the legislation which underfunds pensions by \$540 million and extends the payment period to 2063.

"We appreciate the attention that these hearings have brought to the fund and the challenges we face," said Burbridge. "We used these opportunities to reflect on the mistakes of the past, and to educate legislators about the current state of CTPF. Our testimony clearly stated the damage done by underfunding and demonstrated the need for full payment to CTPF."



Vice President of the CTPF Board of Trustees Lois W. Ashford, Deputy Executive Director and Chief Legal Officer Tiffany R. Reeves, appear in Springfield during an Illinois House Personnel and Pensions subject matter hearing in July.

HB 3695 PASSES HOUSE, STALLS IN SENATE

House Bill 3695, legislation which would have restored the CTPF Tax Levy, passed out of the Illinois House but expired on May 31, 2015, without being called for a vote in the Illinois Senate.

CTPF joined the Retired Teachers Association of Chicago, the Chicago Principals and Administrators Association, and the Chicago Teachers Union in support of the measure which would have returned a stable source of revenue to the Fund.

"We thank our sponsors for their support of this bill and our members for taking action on this important legislation," said Charles A. Burbridge, CTPF executive director.

The bill passed out of the Illinois House with bipartisan support on a vote of 102 to 9. The legislation was written and sponsored by State Rep. Marcus C. Evans, Jr., (D-Chicago) and House Speaker Michael J. Madigan (D-Chicago) with Chief Co-Sponsor Rep. Barbara Flynn Currie (D-Chicago), and received support from several additional Co-Sponsors including Rep. David Harris (R-Mount Prospect), Rep. Anthony DeLuca (D-Chicago Heights),

Rep. Joe Sosnowski (R-Rockford), Rep. Arthur Turner (D-Chicago), Rep. Christian L. Mitchell (D-Chicago), Rep. Elgie R. Sims, Jr. (D-Chicago), Rep. Camille Y. Lilly (D-Chicago), and Rep. John D'Amico (D-Chicago).

House Bill 3695 then moved to the Senate where it was sponsored by Sen. Mattie Hunter (D-Chicago) with Co-Sponsors Sen. Don Harmon (D-Oak Park), Sen. Ira I. Silverstein (D-Chicago), Sen. William Delgado (D-Chicago), Sen. Napoleon Harris, III (D-Harvey), Sen. Kwame Raoul (D-Chicago), Sen. Martin A. Sandoval (D-Cicero), Sen. Heather A. Steans (D-Chicago), and Sen. Michael E. Hastings (D-Matteson). The bill unanimously passed out of the Illinois Senate Executive Committee on May 6, 2015, but was not called for a floor vote.

"We also want to recognize the important role our members played in building momentum for this legislation," said Burbridge. "A stable source of revenue is critical for CTPF and the financial security of our 63,000 members."

CTPF OPPOSES SB 318

CTPF opposes Senate Bill 318 which passed out of the Illinois Senate on August 4, 2015, and moved to the Illinois House for consideration. The bill is being sponsored in the Illinois House by Rep. Barbara Flynn Currie (D-Chicago), and at press time was awaiting action by the House Executive Committee. The bill reduces CPS required contributions for 2016 and 2017 by \$540 million.

This past summer, CTPF members sent more than 6,000 e-mails to legislators to oppose this legislation. Check the *Current News* page at www.ctpf.org and social media for updates on this legislation.





Chicago Teachers' Pension Fund

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To provide, protect, and enhance the present and future economic well being of members, pensioners and beneficiaries through efficient and effective management of benefit programs, investment practices and customer service, and to commit to earning and keeping the respect and trust of the participants through quality service and by protecting retirement benefits, in compliance with applicable laws and standards.

BOARD OF TRUSTEES

- Jay C. Rehak, *president*
- Lois W. Ashford, *vice president*
- Bernie Eshoo, *financial secretary*
- Raymond Wohl, *recording secretary*
- Jeffery Blackwell
- Robert F. Bures
- Mark F. Furlong
- Tina Padilla
- Walter E. Pilditch
- Mary Sharon Reilly
- Jerry Travlos
- Gail D. Ward
- Charles A. Burbridge, *executive director*

STAY IN TOUCH



CALL

312-641-4464

Speak to a Member Services Rep.,
Mon.-Fri., 8 a.m.- 5 p.m.

CLICK

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Find a pension estimator, forms,
documents, and current news.



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